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**SENT VIA EMAIL/US MAIL**

February 11, 2011

Mary Uhl  
Air Quality Bureau Chief  
New Mexico Environment Department  
1301 Siler Road Building B  
Santa Fe, NM 87507

**Subject: Revised SNCR BART Analysis (Including Unit-specific Information) and Customer Rate Impact Submittals**

Dear Ms Uhl:

Enclosed is the **Revised** Selective Non-catalytic Reduction (SNCR) Best Available Retrofit Technology (BART) analysis for San Juan Generating Station. This document, dated February 11, 2011, replaces the SNCR BART analysis submitted to NMED on February 9, 2011. The revised analysis now includes unit-specific information with respect to visibility and cost effectiveness.

PNM also submits information regarding the updated rate impact costs for SNCR and Selective Catalytic Reduction (SCR) plus sorbent to PNM customers based upon PNM's ownership share of 46.3% of SJGS. This attachment includes a discussion of the changes between rate impact figures today and those that were presented to the NMED in August 2010.

PNM is currently finalizing the informational spreadsheet showing a comparison between various state and EPA Region BART determinations. We will provide that to you early next week.

I will send a hardcopy of the attachments via US Mail. Please contact me at (505) 241-2974 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Maureen Gannon", followed by a horizontal line.

Maureen Gannon  
Director, Environmental Services

Attachments

**NMED EX. 7s**